

Press release, 23 January 2024

Ad hoc announcement pursuant to Art. 53 LR

NOVAVEST Real Estate AG examines merger with SenioResidenz AG and announces preliminary key figures for the 2023 financial year

The Board of Directors of Novavest Real Estate AG (SIX Swiss Exchange: NREN) has decided to examine the possibility of a merger between Novavest Real Estate AG and SenioResidenz AG. Both companies are very well established in the Swiss real estate market and have high-quality real estate portfolios in their respective investment segments.

The merger of the two real estate companies would result in an extremely attractive and resilient portfolio, as Novavest Real Estate AG's real estate portfolio is primarily focused on residential use, while the SenioResidenz AG activities are focused on investments in properties which are primarily for seniors' living and care facilities. The composition of the joint real estate portfolio would result in optimal diversification in terms of uses as well as macro- and micro-locations.

The value of the combined real estate portfolio would also increase to over CHF 1 billion. This would result in a strategic portfolio size offering benefits in terms of attractiveness for investors, expanded financing opportunities and exploiting synergies and economies of scale.

Discussions between Novavest Real Estate AG and SenioResidenz AG regarding a potential merger are still at a very early stage. Novavest Real Estate AG will provide information on the results of the merger talks and the next steps in due course. If the negotiations are concluded successfully, the shareholders of both companies will be able to vote on the planned merger at corresponding Extraordinary General Meetings.

Preliminary, unaudited key figures on the 2023 annual results

The value of the company's real estate portfolio amounted to CHF 783.6 million as at 31 December 2023 (31.12.2022: CHF 811.8 million). In the 2023 reporting period, a smaller residential property in Wil and a residential/commercial property in Bülach were both sold at a profit. Rental income increased by around 2% to CHF 29.9 million (2022: CHF 29.2 million). The revaluation of the portfolio by the independent valuation expert Wüest Partner AG resulted in a revaluation loss of CHF 20.6 million (2022: revaluation profit of CHF 11.9 million), mainly due to the higher discount rates resulting from the changed interest rate environment. In comparison to this, the additional income from rent adjustments based on index and reference interest rate increases had a partially positive effect on valuations. Earnings including effects from revaluation of real estate investments are expected to amount to CHF -4.0 million for the 2023 financial year (2022: profit of CHF 22.4 million). The decline in earnings is mainly related to the aforementioned portfolio depreciation. Earnings excluding the effects from revaluation of real estate investments are expected to amount to CHF 12.7 million and are therefore at the same level as last year (2022: CHF 12.7 million).

Further details on the 2023 financial year and the Annual Report 2023 will be published on 21 February 2024.

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Agenda 2024:

- 21 February 2024 Publication of annual results and Annual Report 2023
20 March 2024 Annual General Meeting 2024
21 August 2024 Publication of half-year results and Half-Year Report 2024

NOVAVEST Real Estate AG

www.novavest.ch

NOVAVEST Real Estate AG is a Swiss real estate company based in Zurich. It focuses its activities on the management and development of properties with purely residential use (rental income share from residential use at least 50% of total rental income) and with office and commercial use, as well as on new construction projects in these segments. The real estate portfolio is concentrated on properties located in the area of the centers of Zurich, Basel, Berne, Winterthur, Lucerne, St. Gallen and Aarau as well as on their axes, each with good accessibility by public transport or motorized private transport. The registered shares of the company are listed on the SIX Swiss Exchange (Ticker NREN, Valor 21218624, ISIN CH0212186248).

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